First Member of Council.—

The whole income under this head is now being administered by the District Board.

Mr. H. K. Madaiya.—

Is there any way to amend the Jahgir Regulation?

First Member of Council.—

There is no proposal to amend it, nor do Government propose to do it now.

Mr. H. K. Madaiya.—

Is there any amount spent from the State Fund on account of the Jahgir?

First Member of Council.—

Yes, laterly for medical aid as in other taluks.

Mr. L. Vema Reddy.—

What is the return to the State for the extra expenditure incurred by Government on medical aid in the Jahgir? Why should we spend that amount from the public coffers?

First Member of Council.—

Government are getting the income-tax revenue. Even otherwise there is nothing unreasonable or out of the way in it. For instance, in the *Sarvamanya* villages, we do not deny to the population such concessions as medical aid and education from public funds.

GOVERNMENT BUSINESS—(*continued*).

VI. General Principles of the Municipal Bills for the Management of Municipal Affairs in (1) Cities, (2) Towns, and (3) Minor Municipalities.—(*contd*).

The general principles of the above measure were taken up for consideration from where it had been left at the Second day's sitting.

THE SECOND MEMBER OF COUNCIL explained that the changes proposed to be introduced in the City Municipalities Bill were not many and that the number of changes relating to the Town and Minor Municipalities Regulation being very many, they might be taken up for consideration first.

This suggestion having been agreed to by the Assembly, ıe provisions were taken up for consideration item by item.

Town Municipalities.

(1) *Constitution of Town Municipalities.*

The Second Member of Council explained as ollows :—

The minimum population for a town municipality is xed at 5,000. In order that areas, the population of which ills short of this standard by a few hundreds, may not be eprived of the advantages of a town municipality, it is rovided that local areas which have an annual normal ıcome of Rs. 10,000 be also generally constituted as town ıunicipalities.

This was accepted by the House.

(2) *Elected Element on Town Municipal Councils.*

The Second Member of Council explained as ollows :—

The minimum strength of the elected element on the own municipal councils is raised from one-half to two-ıirds of the total strength.

Mr. G. Channappa agreed to have the elected element : two-thirds in town municipalities though personally he ould prefer to raise it to four-fifths as in the case of certain ritish Indian Provinces. He also suggested that the elected rength might be increased from two-thirds to four-fifths ı the case of the city municipalities.

Mr. Nilgiri G. Sanjeeviah did not agree to the last ıggestion.

Mr. P. Subbarama Chetty pointed out that the ysore Regulation was based on the Bombay Municipalities ct and in some respects also on the Bombay Boroughs Act. he elected element there was four-fifths and their ideal was ventually to make the municipal council an entirely elected ody. Following the same example, he advocated the raising the elected element from two-thirds to four-fifths in the se of both the city and town municipal councils.

In regard to city municipalities, Mr. T. Mariappa ought that the present proportion of two-thirds was all ght and that the remaining one-third should be reserved r nomination with a view to removing the communal equalities.

THE DEWAN pointed out that there was no proposal before the House to increase the elected element. If any member desired to raise the proportion of the elected element, he ought to have formally proposed an amendment.

MR. D. S. MALLAPPA was of opinion that when the Bill was placed before the House, the members were entitled to express their opinion on the provisions of the entire Bill.

MR. K. VENKATASAMIAH was also of the same opinion

THE DEWAN replied that all the provisions of the Regulation were not under discussion but only the particular modifications mentioned in the statement of principles placed before the Assembly.

KHAN BAHADUR MAHOMED ABBAS KHAN thought that under the rules the members could discuss only the general principles of the Bill placed before the Assembly and not those of the Regulation as a whole.

MR. M. P. SOMASEKHARA RAO enquired whether it was not open to the Assembly to discuss the general principles of the entire Regulation and express the opinion that the Bill did not go far enough.

THE DEWAN observed that general observations might be made, but the views of the House to be ascertained by voting or otherwise would be taken only on the general principles of the measure placed before the Assembly.

MR. K. CHENGALRAYA REDDY said that even if it were not possible to take a vote upon the suggestions made in the Assembly on points that were not before it, it might, all the same, be possible to draw the attention of Government to particular provisions.

MR. H. C. DASAPPA did not see why the suggestions made by the members of the Assembly should not be noted by the Government for consideration.

THE DEWAN replied that there was no objection to note them.

MR. P. SEETHARAMIAH was in favour of increasing the elected element in the city municipalities to four-fifths since it was possible to find any number of suitable candidates to stand for election.

MR. D. S. MALLAPPA was of the opinion that the same proportion might be adopted even in town municipal councils.

MR. H. C. DASAPPA suggested that instead of the Government nominating candidates, it would be well if the number of seats reserved for nomination be thrown open for election by the communal associations wherever they existed.

KHAN BAHADUR MAHOMED ABBAS KHAN entirely agreed with the above view and said that so far as the Mahomedans were concerned, the seats reserved for them might be thrown open for election by the Mahomedan Associations.

MR. H. B. GUNDAPPA and MR. V. VENKATAPPA remarked that that would be tantamount to creating separate electorates for Mahomedans which was not desirable.

MR. P. SUBBARAMA CHETTY pointed out that the Bills placed before the Assembly were prepared by a committee appointed at the instance of the Assembly and as such the House was entitled to examine all the provisions and not merely the main changes. Besides, the heading of the printed statement read as "the General Principles of the Municipal Bills....." which connoted that the entire Regulation including the minor principles embodied therein could be discussed. He therefore thought that all the provisions of the Bill might be thrown open for discussion.

THE DEWAN referred to the observation already made by him on this point.

MR. G. CHANNAPPA was of opinion that the Bills placed before the House were not amending Bills but should be considered as original Bills themselves.

THE SECOND MEMBER OF COUNCIL explained that only a small part of the existing Regulation was proposed to be amended by the Bill, leaving intact about 90 per cent of the clauses. But even the unamended sections were embodied in the draft Bills because the idea was to frame separate Regulations for each class of municipalities. For these reasons, he affirmed that what was placed before the Assembly was only the amending Bill and not a fresh Bill.

THE FIRST MEMBER OF COUNCIL added that these Bills may not be placed before the Legislative Council in the present form. Only the general principles were placed before the Assembly and what shape the Bills should finally take depended to some extent upon the opinions expressed by the Assembly. So what the Assembly was called upon to do was to discuss the general principles of the amendments proposed to be introduced later.

MR. D. S. MALLAPPA again contended that the Bills before the House were not amending Bills but original Bills, and as such the members of the House should be given permission to discuss not only the principles mentioned in the statement, but also others involved in the Bills.

THE DEWAN observed that that was not the correct position. There is now only one Regulation governing the

working of city, town and minor municipalities. As three separate Bills are drafted based on the existing one Regulation, there are a large number of provisions in the three Bills, in respect of which no modifications are necessary or have been proposed. Some changes have, however, been suggested and these are now placed before the Assembly. In other respects, the existing position continues. The Bills have in these circumstances to be treated as amending Bills and dealt with accordingly.

(3) Qualifications of Voters and Candidates.

THE SECOND MEMBER OF COUNCIL explained as follows :—

The qualifications for voters and candidates have been specified in certain cases in the existing Regulation and the qualifications in other cases are regulated by rules framed by Government. It is decided to leave the qualifications of voters and candidates to be regulated by rules framed by Government.

He added that there were only two points that were involved and meant to be included in the rules which would be passed after due publication.

MR. V. VENKATAPPA thought that there was no necessity to leave the qualifications of voters and candidates to be regulated by rules framed by Government, but might be specifically mentioned in the Regulation.

THE SECOND MEMBER OF COUNCIL pointed out that it was not usual to incorporate the rules in the Regulation itself for the simple reason that, if at any time the rules had to be modified, an amending Bill would have to be brought up.

KHAN BAHADUR MAHOMED ABBAS KHAN also agreed with the above view.

MR. V. VENKATAPPA said that such difficulties could be remedied by giving adult suffrage to the town municipalities also as was proposed in the case of minor municipalities.

THE SECOND MEMBER OF COUNCIL observed that adult suffrage was new to India and that it had not been tried anywhere so far. There were only certain suggestions in that behalf, but it was nowhere in force. Adult suffrage meant that both men and women above 21 years of age would be eligible to vote, and as such the number of voters would naturally increase enormously. How it would work would have to be investigated. This question of adult

suffrage in town municipalities was considered by the special committee. Some members suggested that it should be introduced in the city municipalities to begin with. It was thought finally that the experience that would be gained by its introduction in the minor municipalities might be taken advantage of before its introduction in bigger institutions.

MR. V. VENKATAPPA said that the introduction of adult suffrage in the minor municipalities would be a topsy-turvy arrangement. He was of the opinion that better use could have been made of this privilege in the town and city municipalities where the people were literate, and it would have given them good political education.

MR. P. SEETHARAMIAH said that because there was greater literacy in cities and towns, adult suffrage should be first tried in them rather than in minor municipalities.

In regard to the fixing of qualifications of voters in the form of rules instead of specifying them in the Regulation itself, he thought that the Government should not have the power to vary these qualifications from time to time without taking the sanction of the legislative body. He also feared that by giving a free hand to the Government to regulate these qualifications, there was a possibility of the power being misused.

THE SECOND MEMBER OF COUNCIL said that it was not possible to define exactly the qualifications of voters as they might change from time to time according to the local conditions of each municipality. Hence he thought that it would be better to regulate the qualifications by rules framed for the purpose.

MR. M. P. SOMASEKHARA RAO also was of the opinion that it was not desirable to leave the qualifications of voters and candidates to be decided by the Government by rules. He was for specifying them in the Regulation itself so as to give a guarantee as to the minimum qualifications of voters.

THE DEWAN observed that there were only two items which were proposed to be transferred to the rules. If the House desired to continue the existing arrangement, Government would have no objection.

MR. H. C. DASAPPA thought that it was best to leave the qualifications of voters and candidates to be regulated by rules framed by Government. He did not think there was any room to doubt that this power would be misused by the Government as was apprehended by Mr. Seetharamiah. They would always try to broaden the franchise rather than

reduce it. If the qualifications were specified in the Regulation, any changes that might be required later would necessitate the bringing up of a series of amendments to the law which would inevitably result in delay.

Secondly, he said that the introduction of adult suffrage in minor municipalities and village panchayets was easier because, in the villages people knew exactly whether the voter was a foreigner or a local man. There was no necessity to prepare an elaborate electoral roll. The same thing applied also to the minor municipalities. But in the town and the city municipalities, there would be absolute necessity to prepare a separate electoral roll, as otherwise there would be no means of knowing whether a particular voter belonged to the locality or not. In these circumstances, he thought that the procedure adopted by Government in trying adult suffrage in the village panchayets and minor municipalities was quite in order.

THE SECOND MEMBER OF COUNCIL said that even under the existing practice, the qualifications of voters and candidates were fixed in the rules except in the matter of two small items specified in Sections 12 and 22. The proposal was to remove them from the Regulation and bring them under the rules. It was also difficult to bring within the compass of one provision all the different qualifications suited to the needs of each municipality. Hence the amendment.

In regard to adult suffrage, he said that there was considerable difference of opinion about it. He did not say that Government would not adopt it at any time. All that they wanted was to go step by step gaining experience as they proceeded. The proposal was to make a beginning in the minor municipalities. He also said that there would be enormous difficulties in dealing with a large mass of voters, if adult suffrage were introduced in cities and towns. Even in the Bombay Corporation which contained the best of intellect, this proposal was thrown out. The Government were making an experiment in the State and it was better to make sure of the ground and proceed in the right direction.

The House thereupon agreed to the principles contained in the paragraph.

THE SECOND MEMBER OF COUNCIL explained the general principles of Paragraphs 4 to 7 as follows:—

(4) Publication of Election Rolls.

It is considered unnecessary to annually revise the municipal election roll and publish it every year. It is

sufficient if the municipal election roll is prepared only once in three years and opportunity is afforded to persons newly qualified to have their names enrolled at any time except within one month preceding the date fixed for an election.

(5) Disqualification to be Councillors to cease automatically.

Under the existing Municipal Regulation the disqualifications in certain cases will continue to operate unless an order to the contrary is passed by Government. It is decided to automatically terminate the disqualifications after the lapse of a definite period as in the case of District Board members and to bring the disqualifications into line with the provisions in the District Boards Regulation.

(6) Removal of Councillors.

It is considered necessary to afford opportunity to Councillors to explain at an enquiry before removing them from office.

(7) Election Disputes.

In order to obviate vexatious complaints, it is considered necessary to prescribe that the validity of a municipal election should be disputed by a candidate who stood for election or by at least 10 persons qualified to vote at the election and that a deposit should accompany the applications as in the case of elections to the District Boards. Provision is also made for appeals on points of law to the High Court from the orders of the judge in election disputes. This provision is also made applicable to the election of Presidents by the general body of voters.

It is also considered necessary to debar civil suits in regard to matters relating to appointment or removal of Councillors, Presidents or Vice-Presidents, except where they are specially provided for.

The recommendations made in the above paragraphs were unanimously accepted by the House.

(8) Presidents and Vice-Presidents.

THE SECOND MEMBER OF COUNCIL explained as follows:—

It is decided to leave the appointment of Vice-President to the discretion of the municipal council instead of the Government.

Salaried servants of Government are specifically made ineligible for election as Presidents and Vice-Presidents.

MR. H. C. DASAPPA wanted that provision should be made for elected Presidents in all the three kinds of municipalities.

THE SECOND MEMBER OF COUNCIL said that under Section 22, Sub-Clause (*c*), there was provision for this in the Bill.

MR. D. S. MALLAPPA said that such a procedure was possible only with the previous sanction of Government. He wanted that the power should be vested in the municipalities concerned.

THE SECOND MEMBER OF COUNCIL said that that was a question of policy.

KHAN BAHADUR MAHOMED ABBAS KHAN said that, when the Government had power even to suspend the municipality, they should not hesitate to give the power of electing their own Presidents and Vice-Presidents to the municipalities.

THE DEWAN said that the suggestion would be noted.

MR. S. C. MALLIAH represented that the Vice-President's place should be filled up by direct election in the city municipalities.

Referring to Section 22 (*vi*), MR. V. V. IYER thought that there was no reason why the Deputy Commissioner should step in when there was a vacancy of a President.

With these observations, the principles contained in the paragraph were approved by the House.

(9) *Vacation of Seat by Vice-President on becoming President.*

THE SECOND MEMBER OF COUNCIL explained as follows :—

There is no provision in the existing Regulation declaring that a Vice-President who is elected or appointed as President should be deemed to have vacated his office as Vice-President. It is necessary to afford facilities to other members for being elected as Vice-President by creating a vacancy in the office of the Vice-President.

MR. D. S. MALLAPPA pointed out that there was an anomaly here. He said that whenever the President took leave, the Vice-President was made to act for him and his place was filled up by a new candidate. He enquired what should become of the new Vice-President when the permanent President returned from leave.

THE SECOND MEMBER OF COUNCIL said that the new Vice-President would be only for the time being. On the return of the President, he would revert to his original place.

MR. D. S. MALLAPPA said that there was no mention about it anywhere.

THE DEWAN said that, if there was any doubt, it could be cleared.

On this assurance, the proposals in the section were accepted by the House.

(10) Vacation of Offices by elected and nominated Presidents and Vice-Presidents.

THE SECOND MEMBER OF COUNCIL explained as follows :—

There is no provision in the present Regulation for the automatic vacation of office by elected and nominated Presidents and Vice-Presidents when resolutions are passed for their removal. It is proposed to provide for such vacation—

(*a*) when a resolution to that effect is passed at a special meeting by a majority of not less than two-thirds of the whole number of councillors, and

(*b*) when resolutions to that effect are passed by a majority of not less than one-half of the whole number of councillors at two special meetings held within an interval of not less than one month and not more than four months.

MR. P. SUBBARAMA CHETTY suggested that the rules which applied to the Presidents and Vice-Presidents in the matter of their vacation from their offices should be made equally applicable to the Chief Officers and Commissioners also when the council was dissatisfied with them.

THE SECOND MEMBER OF COUNCIL said that that aspect of the question could be considered when dealing with executive officers later.

MR. V. V. IYER enquired whether these rules would apply to the *ex-officio* Presidents also.

THE SECOND MEMBER OF COUNCIL said that they would not be applicable in the case of *ex-officio* Presidents as they would always be Government officers.

MR. V. V. IYER thereupon said that the *ex-officio* Presidents should also be brought under the same rule.

Referring to Sub-Section (*b*) of the paragraph, MR. H. B. GUNDAPPA thought that if there was a majority of barely one or two members against the President, he would have to vacate his office giving place to another and if within a month or so there was another similar election on account of party feeling and another President came in, and if such things went on repeatedly, there would be no scope for a continuity of policy. In this view, he thought that the sub-paragraph might be deleted.

MR. D. S. MALLAPPA also agreed with Mr. Gundappa in this view.

MR. T. MARIAPPA thought that unless the President acted according to the wishes of the people, there would always be suspicion against him and his position would be precarious. If there was a President who did not command the confidence of the members, there would not always be a necessity for two special meetings at all. So he did not see the necessity for the sub-paragraph.

MR. B. L. BYANNA was for retaining the paragraph as it was, for the reason that, unless there was an opposition party in the council, the President would go on in his own way.

MR. NILGIRI G. SANJEEVIAH thought that unless the Presidents came to their places using undue influence with the members and making them certain promises which they could not perform, there need be no fear from the majority at all. He thought that the expression "bare majority" might also be used.

At this stage, the suggestions contained in the paragraph were accepted by the members of the House.

(*11*) *Removal of Presidents and Vice-Presidents who are unable to pay their dues.*

THE SECOND MEMBER OF COUNCIL explained as follows :—

Under the rules prescribed for the conduct of public servants, a Government servant who is constantly arrested for debts or a moiety of whose pay is constantly being attached or is attached for a sum which, in ordinary circumstance cannot be re-paid within a period of two years, is liable to dismissal. This rule is not applicable to non-official Presidents and Vice-Presidents. Under the present law, Government cannot take action against a non-official President or Vice-President even though he is arrested for

debt. Under the existing Regulation, such Presidents and Vice-Presidents will be disabled to continue in office only if they are declared insolvent. The administration of the municipal councils will be brought into contempt by having a President or Vice-President who is unable to pay his debts and it is necessary to remove such President and Vice-President from office when an order of attachment in execution of a decree is subsisting against his property for a long time or when an order of his confinement in jail in execution of a decree is in force.

As there seemed to be some difference of opinion among the members about this principle, it was put to vote and passed, 91 voting for and 78 against.

THE SECOND MEMBER OF COUNCIL explained the general principles of paras 12 to 14 as follows :—

(12) Executive Powers of Presidents.

Under the present Regulation, the Chief Officers and Municipal Commissioners exercise certain executive powers of the municipal council even without delegation by the municipal council. In the municipalities for which there is neither a Chief Officer nor a Municipal Commissioner, the President can exercise these powers after delegation by the municipal council and it is possible for the municipal council in some cases to paralyse the municipal administration by reserving the executive powers to themselves or delegating them to committees which may not function promptly and properly. To facilitate the executive administration in such municipalities, it is considered necessary to empower Presidents to exercise the powers that might be exercised by the Municipal Commissioners in city municipalities, and by Chief officers in town municipalities.

(13) Powers of Vice-President.

The duties of the Vice-Presidents are not at present uniform in all the municipalities. It is proposed to take power to Government to define more definitely the powers of the Vice-President, by rules or orders.

In cases in which the Deputy Commissioner, Amildar or Deputy Amildar is an *ex-officio* President of the municipal council, it is considered necessary to authorise the Vice-President to exercise the powers of the President when the latter is absent, notwithstanding the provisions contained in Sections 9 and 13 of the Land Revenue Code.

(14) Meetings of the Municipal Councils.

Complaints have reached Government of undue delay in summoning special meetings duly requisitioned. Power is therefore given to the Vice-President or at least one-third of the whole number of councillors to call a special meeting if the President does not call the meeting for a date not more than fifteen days after the presentation of the requisition.

The quorum of one-half for meetings of town and minor municipal councils is large and it is necessary to prescribe a uniform quorum of one-third for meetings of all municipal councils.

Certain officers of Government specified in Section 26 (14)(*a*) of the existing Regulation have alone the right to attend the meetings of the municipal councils. Power is taken to Government to allow any officer notified by the Government in this behalf to attend meetings of municipal councils.

The above principles were accepted by the House without discussion.

(15) Contracts.

THE SECOND MEMBER OF COUNCIL explained as follows:—

It is necessary to require the municipal councils to invite tenders for the supply of materials for execution of works when the value exceeds Rs. 200 in town municipalities and Rs. 500 in city municipalities, and to obtain sanction of Government to the acceptance of tenders when the cost exceeds Rs. 5,000 in town municipalities and Rs. 10,000 in city municipalities.

The powers of municipal councils in respect of purchase and sale of movable property and in respect of the transfer of immovable property are too low and they are proposed to be raised to Rs. 2,000 in the case of city municipal councils and Rs. 1,000 in the case of other municipal councils.

Sub-Para (1).

MR. P. SUBBARAMA CHETTY did not think that there was need for the tenders also being approved of by the Government. When the Government had given power to the Chief Engineer to sanction works to the extent of Rs. 20,000, there was no reason why they should not trust the Councillors, the President and the Commissioner to accept tenders after the estimates were approved. He also thought that the

limit of Rs. 10,000 fixed for the estimates might be increased to Rs. 25,000.

MR. NILGIRI G. SANJEEVIAH thought that the proposed provision might stand as the Government should have some control over the acceptance of tenders also.

KHAN BAHADUR MAHOMED ABBAS KHAN said that, under the existing rule, estimates up to Rs. 5,000 could be sanctioned by the council and those for any higher sum should be approved by Government. But there was no rule about the approval of tenders also by the Government.

MR. B. L. BYANNA said that it was true that in some cases there were chances of higher tenders being accepted in preference to the lower ones, but that would be for very good reasons. When all the members of the council had accepted the tenders, he did not see any reason for submitting the same to Government for sanction.

At this stage, the Assembly adjourned for lunch and re-assembled at 3-30 p.m.

MR. ANEKAL SRINIVASIENGAR observed that even under the rules of the Account Manual, estimates alone had to be sanctioned by Government, but the power of accepting tenders always vested in the municipal council itself. He therefore thought that the proposed provision restricted the power of the council in this matter.

MR. BELUR SRINIVASA IYENGAR also said that as a rule Government exercised its inherent powers in the matter of approving all resolutions of the council. All original schemes and estimates were as a rule submitted to Government for sanction. If the council felt any doubts about a particular matter, they were always consulting the Chief Engineer and also other authorities of Government. In such circumstances, the speaker saw no reason why Government should limit the powers of the council in regard to the acceptance of tenders alone.

MR. SEETHARAMIAH was also of the same opinion and thought that if the power of accepting tenders was not vested in the municipal council itself, there would be considerable delay in the execution of even works of an urgent nature. He also said that if the objection was against municipal councils sometimes accepting higher tenders in preference to lowest ones, it was difficult to give exact reasons for such a course on their part. He added that, if necessary, provision might be made to consult Government before accepting any tenders.

THE FIRST MEMBER OF COUNCIL said that instances had come to the knowledge of Government in which tenders had been irregularly accepted by municipal councils. It was in the interest of the public that it was proposed to include a provision of this kind. The members should not think of the dignity and *izzat* of the municipal councils alone.

MR. T. MARIAPPA was of opinion that democracy being on its trial, it was necessary to provide for a series of checks on the acceptance of large contracts. Very often the members of the municipal council and the President might be influenced by various considerations. Government were responsible to safeguard the interests of both the council and the public. The amounts involved in the contracts were sometimes very large and therefore considerable check was called for. Since there might be cases of misapplication of funds, there ought to be an authority to see that such things did not occur.

CAPT. Y. V. AYYA also thought that the acceptance of tenders should be sanctioned by Government alone. He was however not in favour of enhancing the powers of the municipal councils in respect of purchases and sales of movable property and of transfer of immovable property, referred to in Sub-Para 2.

DHARMAPRAVARTHA M. L. NAGAPPA SETTY also accepted the proposal of the Government.

MR. Y. K. CHENNAVEERAPPA said that there were ample provisions against the misapplication of funds by the municipal councils and hence there was no reason why tenders should be approved of by Government. He was also of opinion that if further safeguards were however considered necessary in the case of town municipal councils in particular, all tenders for works above Rs. 100 instead of Rs. 200 as suggested might be called for.

MESSRS. V. V. IYER and B. GOPALACHAR thought that when the estimates were approved by Government, it did not much matter who executed the work concerned. They were of the opinion that Government should trust an important body like the municipal council to that extent.

MR. G. CHANNAPPA thought that the limit of Rs. 10,000 proposed might be suitably raised.

MESSRS. SYED KHAJA PEERAN and MIR MAHOMED said that the existing arrangements might continue without any change, with the proviso that tenders should be accepted by Government in all cases.

MR. BELUR SRINIVASA IYENGAR thought that the limit now proposed might be raised to Rs. 15,000.

KHAN BAHADUR MAHOMED ABBAS KHAN said that either no restrictions should be placed on the municipal councils in regard to the acceptance of tenders, or the existing limit of Rs. 5,000 itself should be continued.

The general sense of the House was that the limit might be raised to Rs. 15,000.

With regard to Sub-Paragraph 2, the proposals made by Government were accepted.

(16) Liabilities of Municipal Councillors, Presidents, Officers and Servants.

THE SECOND MEMBER OF COUNCIL explained as follows :—

Municipal Councillors and Presidents are now personally liable for misapplication of municipal funds to which they have been a party or which shall have happened through or been facilitated by gross neglect of duty. It is necessary to provide not only for misapplication but also for loss or waste of money or other property of the municipal council. As the councillors have generally no executive functions to perform unless they are delegated in specific cases, it is proposed to make the councillors liable for loss, waste or misapplication caused directly by their misconduct. In the case of the executive officer, Chief Officer or any person on whom executive functions are conferred or to whom such functions are delegated, it is proposed to make them liable for loss, waste or misapplication caused by not only misconduct but negligence also.

With a view to prevent sudden strikes and dislocation of essential municipal services, it is considered expedient to require municipal employees engaged for providing such services to give a month's notice before resigning or absenting from their duties and to make the omission so to give such notice penal.

KHAN BAHADUR MAHOMED ABBAS KHAN said that this was a very liberal measure and might be adopted.

MR. P. SUBBARAMA CHETTY doubted how, when the councillors had no executive functions to perform, powers could be delegated to them under the Regulation.

THE SECOND MEMBER OF COUNCIL drew his attention to Section 37 of the existing Regulation.

MESSRS. B. L. BYANNA and G. CHANNAPPA also accepted the measure.

The principle was thereupon accepted by the House.

(17) *Rules and Bye-Laws.*

THE SECOND MEMBER OF COUNCIL explained as follows:—

There is no provision in the Regulation to make rules for authorising payment of compassionate gratuity to surviving relations of municipal employees. Necessary provision is made so that the municipal employees may have the same benefit as Government employees in this respect.

In order to secure uniformity in regard to levy of taxes by municipal councils and matters incidental thereto, it is considered necessary to take power to Government to frame rules in the matter.

Provision is also necessary for numbering and registration of all vehicles liable to municipal taxation for fixing terminal tax limits and taking measures for regulating the management of public parks and open spaces vested in the municipal council.

MR. SOMASEKHARA RAO objected to Sub-paragraph 2 on the ground that it would have the effect of restricting the powers of municipal councils in the matter of levying taxes.

KHAN BAHADUR MAHOMED ABBAS KHAN explained that under Section 46 the rules framed by municipal councils had to be approved by Government. The provision now suggested was that Government also could frame additional rules regarding the levy of taxes for municipal purposes and prescribing the circumstances in which exemption could be allowed, the conditions on which and the extent to which remissions might be granted and the system on which refunds were to be allowed and paid in respect of such taxes, etc. He thought that this provision was very helpful to municipalities for the reason that although they had now power to frame rules many of them did not do so and it would become necessary for Government to frame them on their behalf.

MR. B. L. BYANNA thought that the provision was not necessary as municipal councils had themselves the power of making these rules and that it should not be overridden by Government.

THE SECOND MEMBER OF COUNCIL said that the position would be clear if the proposed addition was carefully

read. There was already a provision in the existing Regulation under which Government could frame rules in matters referred to in Clauses (*a*) to (*h*) of Section 46. What was now proposed was to add (*i*) also. As Mr. Abbas Khan had explained, though municipal councils had power to frame rules, many of them did not do so; and even if they did, each framed rules in its own way. It was in order to secure uniformity in this matter, Government proposed to take power to frame rules regulating all matters specified in the section. What was proposed was only in the matter of taxes to be levied, exemptions to be granted, refunds to be allowed, etc. These were merely financial provisions and it was quite necessary that Government should lay down general principles for the municipalities to frame subsidiary rules thereunder. He did not think that the powers of municipal councils would in any way be restricted by such a provision. On the other hand, the addition was much needed. For instance, if Government wanted to make a general rule that no toll should be levied in municipal toll gates on certain kinds of carts passing through them, they could not do it without this addition of sub-clause (*i*). And further, it was not possible for Government to wait till every municipality chose to make rules and bye-laws in this matter relating to finance. Hence Government should have powers to make general rules.

Mr. Belur Srinivasa Iyengar drew the attention of the House to Section 67 (*b*) under which any municipal council with the previous sanction of Government might impose any one or more of the taxes mentioned therein. He therefore thought that when there was already a provision under which Government could interfere when the rules were submitted to them for sanction, there was no reason why another provision should be made in regard to the same matter. Government could themselves take action on the rules submitted to them for sanction to secure uniformity in regard to the levy of taxes contemplated in the provision now under discussion. He did not think that two sets of rules should be framed by two authorities on the same matter. He also said that under the existing law Government had no power to frame rules regarding item (*i*). But they had power to interfere when rules relating to that item were sent to them for sanction. Hence he thought that there was an inconsistency in the Government's contention. In these circumstances, he did not think that the proviso was necessary.

MR. H. C. DASAPPA said that this question was discussed at very great length in the committee and there was not much difference of opinion then. What was sought to be done now was to have a certain amount of uniformity in regard to the levy of taxes, tolls, etc., in municipalities. The municipalities, for instance, might say that a particular amount of toll should be levied. But a case might arise where exemption had to be shown. For instance, a particular head of a Mutt may arrive within the precincts of a municipality and he should be exempt from payment of toll. For these, general rules had to be framed by Government and the municipalities should follow them. Also Government might fix the maximum toll leviable and in accordance therewith it was necessary that the municipality would be required to frame subsidiary rules. He therefore thought that the suggested provision was a useful one.

MR. ANEKAL SRINIVASIENGAR said that all aspects of the question had been thoroughly considered in the committee before finally adopting it.

MR. G. K. MALLANNA and several other members also agreed to the proposed provision.

When put to vote, however, with the exception of Sub-Para 2 which was not accepted, the remaining two sub-paragraphs were passed.

At this stage, the Assembly adjourned for the day to meet again at 12 NOON the next day.